

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 719 - SB 1597

March 8, 2021

SUMMARY OF ORIGINAL BILL: Requires counties and authorizes municipalities to provide for ambulance service as an essential service.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – The extent and timing of any impact to local government cannot reasonably be determined. The extent and timing of any mandatory increase in local government expenditures for certain counties cannot reasonably be determined. *

SUMMARY OF AMENDMENT (004473): Deletes and rewrites all language after the enacting clause such that the substantive changes: (1) direct all county governing bodies to make provisions to ensure that at least one licensed ambulance service is available within their county; (2) establish that counties are not required to appropriate county revenues for ambulance service; and (3) authorize counties to provide for the provision of ambulance service within other local governments which have not established ambulance service without approval of the applicable governing body to be served.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – The extent and timing of any permissive increase in local expenditures or revenue cannot reasonably be determined due to unknown factors.

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 7-61-102 through § 7-61-104:
 - Counties and municipalities are authorized to provide for ambulance service as a public service;
 - Counties and municipalities are authorized to enter into interlocal agreements for the provision of ambulance service;
 - Counties and municipalities may not provide for ambulance service within the boundaries of another county or municipality without the approval of the applicable local governing body.
- The proposed language:

- Establishes ambulance service as an essential service;
- Directs counties to make provisions to ensure that at least one licensed ambulance service is available within the county. This can be accomplished through a county service, contracts, or interlocal agreements;
- Establishes that counties are not required to appropriate county revenues for ambulance service if the service can be provided by any other means; and
- Authorizes counties to provide ambulance service within other local governments without the approval of such local government, if no ambulance service is currently being provided.
- Based on information provided by the Comptroller of the Treasury:
 - Ambulance service is provided in all 95 counties;
 - 86 counties provide ambulance service either directly through a county department or indirectly through a contracted service; and
 - Ambulance service within the remaining nine counties is provided through a privately-owned company or hospital which is not contracted with the county government.
- Based on information provided by the Department of Health, designating ambulance service as an essential service may provide for opportunities for grants for local governments which are currently not available.
- The proposed language may result in instances where counties extend the service area of their ambulance service into local governments which do not provide ambulance service, without approval for such expansion. Any increase in local expenditures are considered permissive.
- The extent and timing of any increase in local government revenue from receipt of grant funds which may be awarded for the provision of an essential service and any permissive increase in local expenditures for the expansion of ambulance service cannot reasonably be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Bojan Savic, Interim Executive Director

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